

MILLVILLE HOUSING AUTHORITY
Millville, New Jersey

COMPARATIVE FINANCIAL STATEMENTS
For the Two Years Ended
September 30, 2009 and 2008

MILLVILLE HOUSING AUTHORITY
Millville, New Jersey
FINANCIAL STATEMENTS

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Millville Housing Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2009

As management of the Millville Housing Authority, we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activity of the Authority for the year ended September 30, 2009. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements, which begin on page 8.

FINANCIAL HIGHLIGHTS

- The assets of the Authority exceeded its liabilities as of September 30, 2009 by \$16,235,209 (net assets).
- The Authority's cash balance as of September 30, 2009 was \$2,279,492 representing a decrease of \$32,796 from September 30, 2008.
- The Authority had intergovernmental revenues of \$3,823,266 in operating grants and \$67,482 of capital grants for the year ended September 30, 2009.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements included in this annual report are those of a special-purpose government engaged only in a business-type activity. The following statements are included:

- Statement of Net Assets - reports the Authority's current financial resources (short-term spendable resources with capital assets and long-term debt obligations).
- Statement of Income, Expenses, and Changes in Net Assets - reports the Authority's operating and non-operating revenue, by major sources, along with operating and non-operating expenses and capital contributions.
- Statement of Cash Flows - reports the Authority's net cash from operating, investing, and capital and related financing activities.

FINANCIAL ANALYSIS OF THE AUTHORITY (ENTITY-WIDE)

Total assets decreased by \$1,779,305 or 8.28 percent. Specifically, capital assets decreased by \$1,198,133, or 6.63 percent, due primarily to the Authority recording depreciation expense of \$1,257,162 in accordance with generally accepting accounting principles.

Miscellaneous receivables decreased by \$444,198 due primarily to the forgiveness of a debt of \$740,469 payable to the Housing Authority from Holly City Development Corp., a component unit of the Authority. This is partially offset by the increase in miscellaneous receivables due to the component unit recording a developers fee receivable of \$156,250 in 2009.

Total liabilities decreased by \$1,049,096, or 23.22 percent. Specifically, accounts payable decreased by \$141,824.

Millville Housing Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED - UNAUDITED

September 30, 2009

The following table summarizes the changes in net assets between September 30, 2009 and 2008 for the Authority as a whole, including its component unit:

ENTITY-WIDE

	<u>2009</u>	<u>2008</u>	<u>Net Change</u>	<u>Variance</u>
Cash	2,279,492	2,312,288	(32,796)	-1.42%
Other Assets	548,298	1,096,674	(548,376)	-50.00%
Capital Assets	16,877,046	18,075,179	(1,198,133)	-6.63%
TOTAL ASSETS	<u>19,704,836</u>	<u>21,484,141</u>	<u>(1,779,305)</u>	<u>-8.28%</u>
Current Liabilities	882,259	1,472,844	(590,585)	-40.10%
Noncurrent Liabilities	2,587,368	3,045,879	(458,511)	-15.05%
TOTAL LIABILITIES	<u>3,469,627</u>	<u>4,518,723</u>	<u>(1,049,096)</u>	<u>-23.22%</u>
Invested in Capital Assets, Net of Debt	14,221,180	15,098,591	(877,411)	-5.81%
Restricted Net Assets	494,544	620,433	(125,889)	-20.29%
Unrestricted Net Assets	1,519,485	1,246,394	273,091	21.91%
TOTAL NET ASSETS	<u>16,235,209</u>	<u>16,965,418</u>	<u>(730,209)</u>	<u>-4.30%</u>

Comparatively, FYE 2009 revenues were greater than FYE 2008 revenue by \$857,026 or 12.37 percent. Other revenues increased by \$228,831 or 11.00% and other government grants decreased by \$106,748, or 40.25%. The revenue for the specific programs is as follows:

